



COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

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MICHAEL J. HENRY
DIRECTOR OF PERSONNEL

August 9, 2007

To: Each Supervisor

From: Michael J. Henry
Director of Personnel

Subject: **EMPLOYEE BENEFITS COMMUNICATIONS CONSULTING SERVICES
SPECIAL PROJECT**

On May 22, 2001, your Board authorized an Agreement with Aon Consulting (Aon) to provide employee benefits communications consulting services in an amount not to exceed \$444,400 annually, and approved spending an amount not to exceed \$100,000 annually for any necessary special projects in support of our employee benefits program. Your Board instructed me to submit justification for any spending for such special projects. The purpose of this memo is to inform your Board that I intend to spend special project funds, in an amount not to exceed \$21,008, for projects related to the upcoming 2008 annual enrollment.

Listed below are the special projects:

1. As in the past few years, to comply with the Federal law effective in 2005 regarding Medicare Part D prescription drug coverage, we must provide notices of Medicare coverage options to all participants and their dependents enrolled in County medical plans. Since this notice must be provided prior to Medicare's enrollment period beginning November 15, we plan to include the notice in our annual enrollment materials to be mailed prior to October 1, 2007. Aon will print a one page, two-sided notice and insert it in the enrollment packets mailed to every employee's home.
2. As previously approved by the Board in the 2006 fringe benefit agreement for SEIU Local 721 and the Coalition of County Unions, the County will provide a contribution to the Dependent Care Spending Account (DCSA). In anticipation of potential increases in employee participation in the DCSA benefit, an additional 6,500 Flexible Spending Account (FSA) booklets and an additional 6,000 FSA packets are needed.
3. To publicize the additional DCSA benefit, a special communication piece will be developed and inserted in the enrollment packets mailed to every employee's home.

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4. We are in the last year of the contract term and the statement of work was based on fixed quantities on estimates of the employee population. Due to the increase in the employee population, we are increasing the number of newsletters announcing annual enrollment that are mailed to the homes of represented employees by 1,600. Aon will print, mail, and pay postage for the additional newsletters.

The authority to provide special project funds was requested in the Aon Agreement specifically to meet these types of benefits communication needs.

Please call me if you have any questions or your staff may contact Marian Hall, Senior Human Resources Manager, at (213) 738-2255.

MJH:TJH
MLH:hv

c: Chief Executive Officer

H:Board.Memo.Aon.Sp.8.8.07